

UNITED STATES BANKRUPTCY COURT

Eastern District of Virginia

APR 27 2011

In re Bear Island Paper Company, L.L.C.,

Case No. 10-31202-DOT

TRANSFER OF CLAIM OTHER THAN FOR SECURITY

A CLAIM HAS BEEN FILED IN THIS CASE or deemed filed under 11 U.S.C. § 1111(a). Transferee hereby gives evidence and notice pursuant to Rule 3001(e)(2), Fed. R. Bankr. P., of the transfer, other than for security, of the claim referenced in this evidence and notice.

BlueMountain Credit Alternatives Master Fund, LP

Name of Transferee

UBS AG, Stamford Branch, Assignor

Name of Transferor

Name and Address where notices to transferee should be sent:

280 Park Avenue, 5th Floor East
New York, NY 10017
Attn: Michael Abatemarco

Phone: 212-905-3967

Last Four Digits of Acct #: _____

Court Claim # (if known): 136

Amount of Claim: \$8,503,572.62

Date Claim Filed: 06/25/2010

Phone: _____

Last Four Digits of Acct. #: _____

Name and Address where transferee payments should be sent (if different from above):

Phone: _____

Last Four Digits of Acct #: _____

I declare under penalty of perjury that the information provided in this notice is true and correct to the best of my knowledge and belief.

By: /s/ Paul Kizel

Transferee/Transferee's Agent

Date: 04/25/2011

EVIDENCE OF PARTIAL TRANSFER OF CLAIM

TO: Clerk, United States Bankruptcy Court, Eastern District of Virginia
AND TO: Blue Mountain Credit Alternatives Master Fund L.P.

UBS AG, Stamford Branch ("Seller"), with offices located at 677 Washington Boulevard, Stamford, CT 06901 for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, and pursuant to the terms of an Original Transfer of Claim Agreement dated as of the date hereof, does hereby certify that it has unconditionally and irrevocably sold, transferred and assigned to Blue Mountain Credit Alternatives Master Fund L.P., and its successors and assigns, with offices located at 280 Park Avenue, 5th Floor East, New York, NY 10017 ("Buyer"), all right, title and interest in and to, and solely to the extent of, an undivided portion equal to **5,002,172.62/8,503,572.62nds** of the claims of Seller against Bear Island Paper Company, L.L.C. ("Bear Island") and White Birch Paper Holding Company (and its affiliates) (collectively, "White Birch"), in respect of the 2002 Form ISDA Master Agreement and Schedule, each dated as of May 16, 2005, by and between White Birch Paper Company and Seller, and all Transactions (as defined therein) thereunder, in amount not less than **US\$8,503,572.62**, which claim includes the (i) proof of claim identified on claim number 136 in the Chapter 11 case of Bear Island, pending in the United States Bankruptcy Court for the Eastern District of Virginia, and (ii) the proof of claim identified on claim number ____ in the CCAA proceeding of White Birch pending in the Superior Court Commercial Division, Province of Québec, District of Montreal, No. 500-11-038474-108.

Seller hereby waives any notice or hearing requirements imposed by Rule 3001 of the United States Federal Rules of Bankruptcy Procedure, and stipulates that an order may be entered recognizing this transfer and sale of the claim as an unconditional assignment and sale, and Buyer herein as the valid owner of the claim. You are hereby requested to make all future payments and distributions of any kind or form, and to give all notices and other communications, in respect of the claim to Buyer.

IN WITNESS WHEREOF, dated as of the 9th day of December 2010.

UBS AG, STAMFORD BRANCH

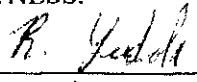
By: UBS Securities LLC, as agent

WITNESS:



(Signature)

Name: Craig Pearson
Title: Loan closer
(Print name and title of witness)

WITNESS:


(Signature)

Name: RAYAD YADALI
Title: Loan closer
(Print name and title of witness)

By: 
(Signature of authorized corporate officer)

Name:
Title: Stephen Scanapieco
Telephone: Associate Director
Banking Products
Services, US

By: 
(Signature of authorized corporate officer)

Name: Christopher Gomes
Title: Associate Director
Telephone: Banking Products
Services, US